

UNITED STATES DISTRICT COURT

District of MASSACHUSETTS

UNITED STATES OF AMERICA

V.

CLS Global FZC LLC

JUDGMENT IN A CRIMINAL CASE

(For Organizational Defendants)

CASE NUMBER: 1:24-CR-10293-AK-1

Lex Urban and Robert A. Fisher

Defendant Organization's Attorney

THE DEFENDANT ORGANIZATION:

☒ pleaded guilty to count(s) 1,2☐ pleaded nolo contendere to count(s) _____
which was accepted by the court.☐ was found guilty on count(s) _____
after a plea of not guilty.

The organizational defendant is adjudicated guilty of these offenses:

Title & Section	Nature of Offense	Offense Ended	Count
18 U.S.C. § 371 15 U.S.C. §§ 781(a)(2) and 78ff(a) 18 U.S.C. § 1343	Conspiracy to Commit Market Manipulation and Wire Fraud	8/31/2024	1
18 U.S.C. § 1343	Wire Fraud	8/20/2024	2

The defendant organization is sentenced as provided in pages 2 through 5 of this judgment.

☐ The defendant organization has been found not guilty on count(s) _____☐ Count(s) _____ ☐ is ☐ are dismissed on the motion of the United States.

It is ordered that the defendant organization must notify the United States attorney for this district within 30 days of any change of name, principal business address, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant organization must notify the court and United States attorney of material changes in economic circumstances.

Defendant Organization's
Federal Employer I.D. No.: N/A

April 2, 2025

Date of Imposition of Judgment

Defendant Organization's Principal Business Address:

BLB-S5-492, Ajman Boulevard Commercial
United Arab Emirates

/s/ Angel Kelley

Signature of Judge

Hon. Angel Kelley, U.S. District Judge

Name of Judge

Title of Judge

April 7, 2025

Date

Defendant Organization's Mailing Address:

P.O. Box 454924
Dubai, United Arab Emirates

DEFENDANT ORGANIZATION: CLS Global FZC LLC
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PROBATION

The defendant organization is hereby sentenced to probation for a term of :
36 months to run concurrent on Counts 1 and 2

The defendant organization shall not commit another federal, state or local crime.

If this judgment imposes a fine or a restitution obligation, it is a condition of probation that the defendant organization pay in accordance with the Schedule of Payments sheet of this judgment.

The defendant organization must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page (if indicated below).

STANDARD CONDITIONS OF SUPERVISION

- 1) within thirty days from the date of this judgment, the defendant organization shall designate an official of the organization to act as the organizations's representative and to be the primary contact with the probation officer;
- 2) the defendant organization shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 3) the defendant organization shall notify the probation officer ten days prior to any change in principal business or mailing address;
- 4) the defendant organization shall permit a probation officer to visit the organization at any of its operating business sites;
- 5) the defendant organization shall notify the probation officer within seventy-two hours of any criminal prosecution, major civil litigation, or administrative proceeding against the organization;
- 6) the defendant organization shall not dissolve, change its name, or change the name under which it does business unless this judgment and all criminal monetary penalties imposed by this court are either fully satisfied or are equally enforceable against the defendant's successors or assignees; and
- 7) the defendant organization shall not waste, nor without permission of the probation officer, sell, assign, or transfer its assets.

DEFENDANT ORGANIZATION: CLS Global FZC LLC
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SPECIAL CONDITIONS OF SUPERVISION

1. CLS GLOBAL shall not participate, directly or indirectly, in any issuance, purchase, offer, or sale of any cryptocurrency on any cryptocurrency trading platform that CLS GLOBAL knows, or with reasonable diligence should know, is available to investors located in the United States, regardless of whether such trading platform employs a centralized limit order book or an alternative method of matching buyers and sellers of cryptocurrencies. The foregoing condition also binds the following as set forth in the Consent Judgment: (a) CLS GLOBAL's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with CLS GLOBAL or with anyone described in (a).
2. As set forth in the Consent Judgment, CLS GLOBAL shall take such reasonable steps as necessary to ensure that each current client of CLS GLOBAL: (i) is not a natural person resident in the United States; (ii) is not a partnership, corporation, or other legal person operating in, incorporated, or otherwise organized under the laws of the United States; (iii) is not owned or controlled by any natural person resident in the United States; and (iv) is not owned or controlled by any partnership corporation, or other legal person operating in, incorporated, or otherwise organized under the laws of the United States.
3. Should CLS GLOBAL become aware at any time that a client does not meet one or more of the criteria identified in Paragraph 2, CLS GLOBAL shall cease providing all services to such client as soon as practicable but in any event within 30 days.
4. CLS GLOBAL shall implement policies and procedures reasonably designed to ensure that each new client meets the criteria identified in Paragraph 2, as set forth in the Consent Judgment. Such policies and procedures shall include, at minimum, obtaining written attestations from each new client that it meets the criteria identified in Paragraph 2.
5. CLS GLOBAL shall implement policies and procedures reasonably designed to ensure that CLS GLOBAL is in compliance with the condition set forth in Paragraph 1, as set forth in the Consent Judgment.
6. An officer or director of CLS GLOBAL shall provide written certifications to the Securities and Exchange Commission of CLS GLOBAL's compliance with the conditions set forth in Paragraphs 1 through 5, as set forth in the Consent Judgment.
7. In the event that CLS GLOBAL has not complied with the conditions set forth in Paragraphs 1 through 5, an officer or director of CLS GLOBAL shall notify the Securities and Exchange Commission in writing within 15 days of the date on which CLS GLOBAL learned of the instance of non-compliance.
8. CLS GLOBAL must pay the balance of the fine imposed no later than 30 days after the entry of the civil judgment, the application of forfeiture proceeds, and the determination of the balance owed.

DEFENDANT ORGANIZATION: CLS Global FZC LLC
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The defendant organization must pay the following total criminal monetary penalties under the schedule of payments on Sheet 4.

	<u>Assessment</u>	<u>Fine</u>	<u>Restitution</u>
TOTALS	\$ 800.00	\$ 428,059.63	\$

- ☐ The determination of restitution is deferred until _____. An *Amended Judgment in a Criminal Case* (AO 245C) will be entered after such determination.
- ☐ The defendant organization shall make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant organization makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

<u>Name of Payee</u>	<u>Total Loss*</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>

TOTALS	\$	0.00	\$	0.00
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- ☐ Restitution amount ordered pursuant to plea agreement \$ _____
- ☐ The defendant organization shall pay interest on restitution or a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 4 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).
- ☐ The court determined that the defendant organization does not have the ability to pay interest, and it is ordered that:
- ☐ the interest requirement is waived for the ☐ fine ☐ restitution.
- ☐ the interest requirement for the ☐ fine ☐ restitution is modified as follows:

* Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

DEFENDANT ORGANIZATION: CLS Global FZC LLC
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Having assessed the organization's ability to pay, payment of the total criminal monetary penalties are due as follows:

- A ☒ Lump sum payment of \$ 800.00 due immediately, balance due
- ☐ not later than _____, or
- ☐ in accordance with ☐ C or ☒ D below; or
- B ☐ Payment to begin immediately (may be combined with ☐ C or ☐ D below); or
- C ☐ Payment in _____ (e.g., equal, weekly, monthly, quarterly) installments of \$ _____ over a period of _____ (e.g., months or years), to commence _____ (e.g., 30 or 60 days) after the date of this judgment; or
- D ☒ Special instructions regarding the payment of criminal monetary penalties:
1. The Clerk shall reduce the fine amount owed by the net proceeds forfeited to the government as provided by the USAO.
 2. The Clerk shall reduce the fine amount owed by any amount recovered by the SEC in case number 24-CV-12590, as provided by the SEC.

All criminal monetary penalties are made to the clerk of the court.

The defendant organization shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

☐ Joint and Several

Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.

- ☐ The defendant organization shall pay the cost of prosecution.
- ☐ The defendant organization shall pay the following court cost(s):
- ☒ The defendant organization shall forfeit the defendant organization's interest in the following property to the United States:
- a. All funds, including cryptocurrency, and anything else of value located in the account with User ID 42132227 (including sub-accounts with User IDs 864465559 and 938873655) on the Binance cryptocurrency exchange; and
 - b. All funds, including cryptocurrency, and anything else of value located in the accounts with User IDs 201938192, 66415195, and 133956595 on the KuCoin cryptocurrency exchange; See Preliminary Order of Forfeiture [Dkt. 29].

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) penalties, and (8) costs, including cost of prosecution and court costs.